



New Jersey Division of Gaming Enforcement

Atlantic City Gaming Industry

Casino Revenue Fund Taxes and Fees

Source Report

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New Jersey Division of Gaming Enforcement
Atlantic City Gaming Industry
Casino Revenue Fund Taxes and Fees
(for Fiscal Year 2011)

(a) <u>GROSS REVENUE TAX</u>		(b) <u>PARKING FEE</u>		(c) <u>HOTEL ROOM FEE</u>	
<u>Month</u>		<u>Month</u>		<u>2010 Quarters</u>	
2010	July	25,879,833	2010	July	534,751
	August	24,334,024		August	526,008
	September	20,764,947		September	419,150
	October	20,018,349		October	390,436
	November	18,493,130		November	361,982
	December	16,877,636		December	314,117
2011	January	20,430,995	2011	January	325,928
	February	20,651,749		February	346,722
	March	21,231,804		March	397,994
	April	19,931,805		April	392,669
	May	20,069,995		May	416,750
	June	18,996,473		June	434,444
	Totals	\$247,680,740		Totals	\$4,860,951
(d) <u>PROGRESSIVE SLOT TAX</u>		(e) <u>EXPIRED GAMING OBLIGATIONS</u>			
<u>Month</u>		<u>Month</u>			
2010	July	231,745	2010	July	52,760
	August	367,029		August	56,633
	September	390,478		September	46,104
	October	156,617		October	45,282
	November	323,882		November	38,059
	December	272,841		December	28,772
2011	January	80,160	2011	January	34,959
	February	234,108		February	32,801
	March	332,119		March	40,273
	April	167,056		April	39,359
	May	259,592		May	45,325
	June	367,578		June	44,302
	Totals	\$3,183,205		Totals	\$504,629
(f) <u>FINES</u>		(g) <u>FORFEITED WINNINGS</u>			
<u>Month</u>		<u>Month</u>			
2010	July	0	2010	July	0
	August	0		August	4,899
	September	0		September	24,394
	October	0		October	5,664
	November	0		November	2,135
	December	0		December	4,146
2011	January	0	2011	January	1,158
	February	0		February	0
	March	0		March	0
	April	0		April	0
	May	0		May	0
	June	0		June	3,973
	Totals	\$0		Totals	\$46,369

*Monthly figures presented do not include interest income nor audit adjustments and reflect information received as of the date on cover

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(\$ in Thousands)

	(a) Gross Revenue Tax	(b) Parking Fee	(c) Hotel Room Fee	(d) Progressive Slot Tax	(e) Expired Gaming Obligations	(f) Fines	(g) Forfeited Winnings	(h) Comp Tax	(i) Net Income Tax	Total
FY 1978	1,513	0	0	0	0	0	0	0	0	1,513
FY 1979	18,272	0	0	0	0	0	0	0	0	18,272
FY 1980	58,087	0	0	0	0	0	0	0	0	58,087
FY 1981	72,088	0	0	0	0	0	0	0	0	72,088
FY 1982	102,875	0	0	0	0	0	0	0	0	102,875
FY 1983	127,977	0	0	0	0	0	0	0	0	127,977
FY 1984	148,501	0	0	0	0	0	0	0	0	148,501
FY 1985	160,230	0	0	0	0	0	0	0	0	160,230
FY 1986	176,707	0	0	0	0	0	0	0	0	176,707
FY 1987	188,996	0	0	0	0	0	0	0	0	188,996
FY 1988	208,390	0	0	0	0	0	0	0	0	208,390
FY 1989	221,891	0	0	0	0	0	0	0	0	221,891
FY 1990	227,947	0	0	0	0	0	0	0	0	227,947
FY 1991	232,015	0	0	0	0	544	0	0	0	232,559
FY 1992	248,690	0	0	0	0	1,356	0	0	0	250,046
FY 1993	258,159	0	0	0	0	85	0	0	0	258,244
FY 1994	262,904	0	0	0	0	346	0	0	0	263,250
FY 1995	288,848	0	0	0	0	0	0	0	0	288,848
FY 1996	303,300	0	0	0	0	0	0	0	0	303,300
FY 1997	308,277	0	0	0	0	0	0	0	0	308,277
FY 1998	312,734	0	0	0	0	0	0	0	0	312,734
FY 1999	324,617	0	0	0	0	0	0	0	0	324,617
FY 2000	338,587	0	0	0	0	153	0	0	0	338,740
FY 2001	340,695	0	0	0	0	0	0	0	0	340,695
FY 2002	347,916	0	0	0	0	0	0	0	0	347,916
FY 2003	346,457	0	0	0	0	52	1	0	0	346,510
FY 2004	377,544	17,956	14,050	5,892	0	0	11	26,568	25,271	467,292
FY 2005	388,665	15,553	14,411	5,584	0	0	4	26,954	22,990	474,161
FY 2006	413,320	18,160	14,972	6,508	0	0	20	27,770	19,474	500,224
FY 2007	409,902	6,274	6,945	4,951	0	0	12	18,007	0	446,091
FY 2008	382,420	5,882	4,470	3,914	0	751	13	13,645	0	411,095
FY 2009	329,303	5,448	4,878	3,767	3,007	0	24	4,147	0	350,574
FY 2010	280,879	5,008	5,078	3,354	4,130	266	22	0	0	298,737

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- (a) **Gross Revenue Tax:** The 8% percent tax on Casino Gross Revenue is deposited into the Casino Revenue Fund. Beginning August 14, 2008, Casino Licensees were permitted a deduction from Gross Revenue for Promotional Gaming Credits for purposes of calculating Taxable Gross Revenue subject to the 8% tax.
- (b) **Parking Fee:** Effective July 1, 2006, \$0.50 of each \$3.00 Parking Fee goes to the Casino Revenue Fund with \$2.50 to CRDA. For FY 2004 to FY 2006, \$1.50 of each \$3.00 was allocated to the Casino Revenue Fund. Prior to FY 2004, the Parking Fee was allocated to the CRDA.
- (c) **Hotel Room Fee:** Effective July 1, 2006, \$2.00 of each \$3.00 Hotel Room Fee goes into the Casino Revenue Fund, with a portion of the Casino Revenue Fund's allocation used to fund debt service on \$93 million in CRDA Hotel Room Fee Revenue Bonds (shown pro-rata on Page 1). The remaining \$1.00 is allocated to the CRDA. For FY 2004 to FY 2006, the \$3.00 Hotel Room Fee was allocated to the Casino Revenue Fund. Hotel Room Fee is based on quarterly figures as of March 31, June 30, September 30 and December 31.
- (d) **Tax on Multi-Casino Progressive Slot Machine Revenue ("Progressive Slot Tax"):**
Effective July 1, 2003, slot machine companies (not casinos) that operate multi-casino progressive slot systems pay an 8% tax on revenues derived from operating progressive slot machine systems in Atlantic City that goes to the Casino Revenue Fund.
- (e) **Expired Gaming-Related Obligations ("Expired Gaming Obligations"):** Effective April 8, 2009, 25% of expired gaming related obligations go to the Casino Revenue Fund. Casino Licensees were billed in FY2009 and FY 2010 for 25% of expired gaming related obligations prior to the effective date (totalling 50% of expired gaming related obligations prior to April 8, 2009).
- (f) **Fines:** The first \$600,000 of fines imposed on casinos in a fiscal year go to the General Fund for Compulsive Gambling Programs. Any amount over \$600,000 goes to the Casino Revenue Fund.
- (g) **Forfeited Winnings:** Winnings of underage gamblers or excluded persons are subject to forfeiture. Forfeitures under \$100,000 are split equally between Casino Revenue Fund and Compulsive Gambling Programs. For forfeitures over \$100,000, Compulsive Gambling Programs get \$50,000 and the balance goes to the Casino Revenue Fund.
- (h) **Tax on Casino Complimentaries ("Comp Tax"):** Effective July 1, 2003, this tax raised a fixed \$26 million for state fiscal years 2004 through 2006, \$19.5 million for 2007, \$13 million for 2008 and \$6.5 million for 2009. Any overpayments were credited in the subsequent fiscal year. The tax expired at the end of FY2009.
- (i) **Net Income Tax:** Effective on July 1, 2003. Tax is based on net income plus management fees for calendar year 2002, which was paid in FY2004 through FY2006. The tax expired at the end of FY2006.

SOURCE INFORMATION:

Source for 1978 through 2009 data provided by Office of Management and Budget, NJ Dept. of Treasury

Source for 2010 data provided by NJ Casino Control Commission and Office of Management and Budget, NJ Dept. of Treasury

Source for 2011 Gross Revenue Tax, Fines, Forfeited Winnings and Expired Gaming Obligations: NJ Division of Gaming Enforcement

Source for 2011 the Parking Fee: NJ Casino Control Commission

Source for 2011 Progressive Slot Tax and Hotel Room Fee: NJ Division of Taxation

(certain amounts may be unaudited and subject to change)